

# NATIONAL CASUALTY COMPANY

8877 North Gainey Center Drive  
Scottsdale, Arizona 85258

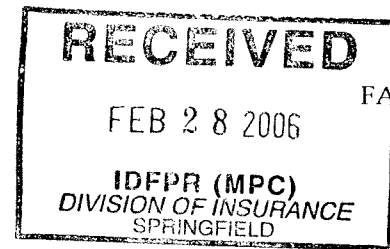
Reply to:

Post Office Box 4110  
Scottsdale, AZ 85261-4110

Telephone

480-365-3341

FAX 480-368-5820



February 23, 2006

**RE: National Casualty Company**  
**NAIC No: 140-11991**  
**Orthodontists Program**  
**Form Filing**  
**Company File No.: OD 03396NCF01 -R**

Dear Commissioner:

National Casualty Company is submitting a revised manual page and two new forms for use with our Orthodontists Program. We request an effective date of April 1, 2006.

Please find attached:

N-OC-R-IL (2-06) Orthodontists Claims Made Manual Page which replaces the (3-02) edition.

OC-APP-6-IL (1-06) Installment Option Supplement – Illinois - NEW

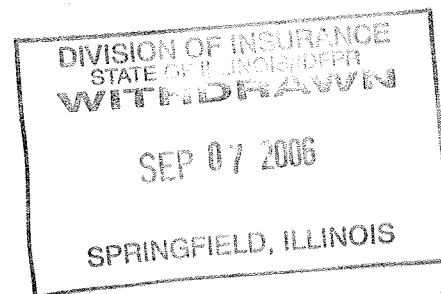
SC-561s-IL (1-06) Premium Payment Schedule – Illinois - NEW

Should you need any further information; please feel free to contact me on the toll free number or e-mail address listed below.

Sincerely,

A handwritten signature in cursive script that reads "J. Organisciak".

Jodie Organisciak  
Filings Analyst  
E-mail: organij@scottsdaleins.com  
(800) 423-7675 ext. 3341



forms separated

Property & Casualty Transmittal Document

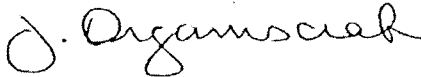
1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only		
	a. Date the filing is received:		
	b. Analyst:		
	c. Disposition:		
	d. Date of disposition of the filing:		
	e. Effective date of filing: FEB 28 2006		
	f. State Filing #:		
g. SERFF Filing #:			

RECEIVED  
IDEPR (MPC)  
DIVISION OF INSURANCE  
SPRINGFIELD

3.	Group Name	Group NAIC #		
	Nationwide	140		
4.	Company Name(s)	Domicile	NAIC #	FEIN #
	National Casualty Company	WI	11991	38-0865250

5.	Company Tracking Number	OD 03396NCF01
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Jodie Organisciak PO Box 4110 Scottsdale, AZ 85261-4110	Filing Analyst 1	800-423-7676 ext.3341-	480-368-5820	organij@scottsdaleins.com
7.	Signature of authorized filer				
8.	Please print name of authorized filer		Jodie Organisciak		

Filing information (see General Instructions for descriptions of these fields)

9.	Type of Insurance (TOI)	17.0 Other
10.	Sub-Type of Insurance (Sub-TOI)	17.0019
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12.	Company Program Title (Marketing title)	
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14.	Effective Date(s) Requested	New: April 1, 2006 Renewal: April 1, 2006
15.	Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16.	Reference Organization (if applicable)	N/A
17.	Reference Organization # & Title	N/A
18.	Company's Date of Filing	February 23, 2006
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

**Property & Casualty Transmittal Document—**

20.	This filing transmittal is part of Company Tracking #	OD 03396NCF01
21.	Filing Description [This area should be similar to the body of a cover letter and is free-form text]	

[illegible]

\*\*\*Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing.)

1.	This filing transmittal is part of Company Tracking #	OD 03396NCF01

2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	n/a
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☐ Rate Increase      ☐ Rate Decrease      ☒ Rate Neutral (0%)

3.	Overall percentage rate impact for this filing	0%
4.	Effect of Rate Filing – Written premium change for this program	n/a
5.	Effect of Rate Filing – Number of policyholders	varies
6.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	Prior approval

7.	Rate Change by Company		
	Company Name	Percentage Change for this program	# of policyholders for this program
	Scottsdale Insurance Co.	neutral	varies

8.	Overall percentage of last rate revision	15%
9.	Effective Date of last rate revision	1997
10.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	File and use

11.	Exhibit Name/Description /Synopsis	Rule # or Page #	Replacement or withdrawn?	Previous state filing number, if required by state
01	manual page	N-OC-R-IL (2-06)	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	N/A
02			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
03			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
04			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
05			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
06			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
07			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	

- To be complete, a rate/rule filing must include the following:
1. A completed Rate/Rule Filing Transmittal document (PC RRFS-1) (Do not refer to the body of the filing for the component/exhibit listing.) and,
  2. A completed Property & Casualty Transmittal Document (PC TD-1) and,
  3. One copy of all rate/rule components/exhibits submitted with the filing, and

Neuman, Gayle

**From:** gormled@scottsdaleins.com  
**Sent:** Thursday, September 07, 2006 4:01 PM  
**To:** Neuman, Gayle  
**Subject:** Re: National Casualty Company - Rule Filing #OD 03396NCF01-R and #DT 03395NCF01-R

Ms. Neuman,

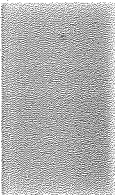
We are amending the N-DT-R-IL Company Exception Page to show the wording regarding additional premium and to change the installments from four equal installments to a 40%/20%/20%/20% split as is allowed.

We are also amending the DT-APP-18-IL (1-06), Installment Option Supplement to show the same wording and percentage breakdown.

We no longer offer Ortho in Illinois, only Dental. Therefore, we are withdraw the Ortho filing.

I will send the revised forms to you asap. Feel free to call or e-mail me with any other questions you may have.

Thank you,  
Dawn Gormley



"Neuman, Gayle" <Gayle.Neuman@illinois.gov>

From "Neuman, Gayle" <Gayle.Neuman@illinois.gov>

To <gormled@scottsdaleins.com>

cc

Subject National Casualty Company - Rule Filing #OD 03396NCF01-R and #DT 03395NCF01-R

09/07/2006 06:59 AM

Ms. Gormley,

As I have not received any response from Ms. Junius, I am forwarding this request to you for handling.

This filing has been reviewed, and it was approved by the Director on 8/10/06. We are requesting that language be added to the rule filing to indicate there are no installment fees. As soon as this is received, the filing will be "filed". Do you still wish to have the original effective date of April 1, 2006? If not, please indicate the date you are requesting. Additionally, in a separate response, you can update the form filings submitted.

Thank you for your prompt attention.

**From:** Neuman, Gayle  
**Sent:** Thursday, August 31, 2006 2:20 PM  
**To:** 'juniusc@scottsdaleins.com'  
**Subject:** FW: National Casualty Company - Rule Filing #OD 03396NCF01-R and #DT 03395NCF01-R

Ms. Junius,

No response has been received in regard to the e-mail below. Additionally, please confirm if the company implemented these changes as of April 1, 2006? If not, is the company planning to implement the changes as of the date the review of the filing is completed?

Your immediate attention is required so that we may promptly complete these filings.

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**From:** Neuman, Gayle  
**Sent:** Monday, August 14, 2006 3:26 PM  
**To:** 'juniusc@scottsdaleins.com'  
**Subject:** National Casualty Company - Rule Filing #OD 03396NCF01-R and #DT 03395NCF01-R

Ms. Junius,

As you know, the new Medical Professional Liability law in Illinois, PA94-677 (Senate B8ll 475), requires insurers to implement a quarterly premium payment installment plan as prescribed by the Secretary of the Illinois Department of Financial and Professional Regulation (IDFPR).

This email is to advise you of the requirements being prescribed by the Secretary and by the Director of the Division of Insurance regarding the quarterly premium payment installment plan you are required to offer to your insureds. In reviewing your filings (referenced above), we note that your quarterly installment plan does not meet the some or all of the following prescribed requirements.

Please amend your rate/rule manual's quarterly installment plan provisions to comply with all of the following prescribed requirements and send me your updated manual pages no later than August 23, 2006.

Quarterly Premium Payment Installment Plan Prescribed Requirements

All companies writing medical liability insurance shall file with the Secretary or Director a plan to offer each medical liability insured the option to make premium payments, in at least quarterly installments. For purposes of this requirement, insurers may, but are not required to, offer such premium installment plans to insureds whose annual premiums are less than \$500, or for premium for any extension of a reporting period. Quarterly installment premium payment plans subject to this Section shall be included in the initial offer of the policy, or in the first policy renewal occurring after January 1, 2006. Thereafter, the insurer may, but need not re-offer such payment plan, but if an insured requests such payment plan at a later date, the insurer must make it available. All quarterly installment premium payment plan provisions shall be contained in the filed rate and/or rule manual in a section entitled, "Quarterly Installment Option" or a substantially similar title. If the company uses a substantially similar title, the Rule Submission Letter must indicate the name of the section that complies with this requirement. All quarterly installment premium payment plans shall include the minimum standards listed below. Insurers may provide for quarterly installment premium payment plans that differ from these minimum standards, as long as such plans have terms that are at least as or more favorable than those listed below.

- i) An initial payment of no more than 40% of the estimated total premium due at policy inception;
- ii) The remaining premium spread equally among the second, third, and fourth installments, with the maximum for

9/8/2006

such installments set at 30% of the estimated total premium, and due 3, 6, and 9 months from policy inception, respectively;

iii) No interest charges;

iv) Installment charges or fees of no more than 1% of the total premium or \$25.00, whichever is less;

v) A provision stating that additional premium resulting from changes to the policy shall be spread equally over the remaining installments, if any. If there are no remaining installments, additional premium resulting from changes to a policy may be billed immediately as a separate transaction.

Additionally, changes are required on form filing number OD 03396NCF01 and #DT 03395NCF01. They should be submitted under separate cover.

Your immediate attention is being requested so that these filings may be promptly concluded.

Gayle Neuman  
Property & Casualty Compliance, Division of Insurance  
Illinois Department of Financial & Professional Regulation  
(217) 524-6497